

GE LEADERSHIP SCHOOL HOSTS DSMC DELEGATION

Winning in the Marketplace... The Ultimate Job Security

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Where would you go to benchmark methodologies used by a successful organization to train leaders as world-class commercial consumers? On May 8th and 9th, DSMC's Commandant, Brig. Gen. Claude M. Bolton, Jr., USAF, and four members of the organization visited the GE Management Development Institute (MDI) at Crotonville, New York. They were accompanied by Dr. Tom Cooper, the GE Vice President for Federal Systems, who coordinated the visit.

Facilities

Established in the 1950s, the GE MDI is one of the oldest corporate residential education centers in North America. Thousands of managers and executives go each year to expand their knowledge of and practice leadership skills. Located on 52 acres, 25 miles north of New York City, MDI is a picturesque estate with a view of the Hudson River.

The DSMC delegation toured the facilities, including "the pit" — a forum where leaders from the 12 separate companies owned by GE gather to discuss major organizational initiatives in a free-flow format. Physically and organizationally, the room is de-



Once a private estate, Crotonville is now a world-class conference center. The GE Management Development Institute has used Crotonville as its headquarters since the early 1950s.

signed for give and take. The speaker is literally at the bottom of a "pit." Members are encouraged to speak out, argue and challenge leaders. Discussions with the director of the center, Steven Kerr, and various team leaders covered several GE business concepts:

- GE "Workout"
- Leadership Development at GE
- Bullet Train
- Change Acceleration Process
- Sharing Best Practices
- Distance Learning

GE "Workout"

Like the military, GE trains the way it does business. Productivity is key. Using the "Workout" concept to separate non-value added work from processes eliminates bureaucracy and red tape. Jack Welch states that, "Workout is designed to create an environment where every man or woman in the Company can see and feel a connection between what they do all day...and winning in the marketplace...the ultimate job security." An "action workout" is a 2- to

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Photo courtesy of the GE Management Development Institute

4-day event focused on implementing real-time change. Such changes can be in processes or interaction among people. General Loh, Air Combat Command (ACC), Langley Air Force Base, Va., has frequent dialogues with Jack Welch, and is now piloting the “workout” concept at ACC.

Leadership Development at GE

Aspects of the GE leadership development process are similar to the acquisition certification process in DoD. For example, the MDI accomplishes leadership development in four distinct stages, beginning with new hires, through mid-level managers, to executives:

- Competency
- Mastery
- Functional Leadership
- Business Leadership (Management of Corporate Initiatives)

These stages GE refers to as “moments of opportunity” — key career transition points when a manager is most impacted by training. Their businesses contribute real problems as case studies for action learning. Teaching content is linked to GE themes, which are the building blocks for every course:

- Boundaryless Leadership
- Competitive Best Practices
- Commitment to Integrity
- Cultural Diversity
- Competitive Opportunities in Global Markets

Using the “action-oriented learning” concept, instructors ask employees from various functional departments to use their unique tool list to plan how the objectives of each initiative will be met. For example, engineering department members would use engineering principles to develop an action plan to achieve specific objectives of each initiative. This action plan becomes an option for solving real business dilemmas.

“Bullet Train”

The “bullet train” approach is also to increase productivity. It incorporates a continual improvement or reengineering methodology, process mapping, customer needs mapping, and some of the following management decision making tools:

- Five Whys
- Benchmarking
- Brainstorming
- Fishbone
- Force Field Analysis
- Pareto Analysis
- Risk Assessment

To accomplish goals, the “bullet train” approach is used as a metaphor to emphasize the speed desired to complete projects. It uses the following management concepts:

- leadership involvement;
- boundaryless teams, which are cross-functional groups similar to the concept of Integrated Product Teams;
- breakthrough targets, which incorporate “stretch goals” to push productivity levels;
- disciplined processes to reduce variation; and
- unprecedented speed in every product and service.

Change Acceleration Process

The Change Acceleration Process (CAP) exemplifies “finding a better way...everyday.” As a cultural revolution, it builds speed, simplicity and self-confidence in every employee, with the ultimate goal that GE will become the most productive company on earth. Simply stated, it is a *power booster for change*.

Sharing “Best Practices”

Another aspect of the training is sharing “best practices.” Jack Welch spends 40 percent of his time on “people issues.” He spreads the word on best practices to facilitate sharing between companies. Unlike many annual reports, GE’s report gives credit to outside companies for providing

benchmarks that contribute to their [GE’s] success. As inspiration to increase their own productivity, GE uses any source they perceive as “working smarter.”

Distance Learning

Like DSMC, GE Crotonville will continue to take training to its customers. “Virtual Crotonville” is a concept aimed at using all resources to produce the educational experience typical at Crotonville, anywhere in the world. It is extending training to other locales but maintaining the spirit of what happens at Crotonville.

Summary

Crotonville also serves as a megaphone for the GE culture. In all aspects, it climatizes managers into the key values and norms of the organization. As an important management forum, it provides a means for key executives to stay in touch with the workforce, to sense the mood of employees, and to view the skills of participants in a real-time learning experience.

The visit to GE was mutually beneficial. Besides many similarities in learning techniques and format, GE was interested in DSMC’s Management Deliberation Center and the concept of using groupware for decision making. Both groups made the commitment to continue the exchange of ideas — an exchange ultimately expected to result in enhancing the respective learning environments of both organizations.

Bibliography

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